



CHIEF PROCUREMENT OFFICE
Ellen H. Daley, General Services

October 22, 2015

Chad Fornoff, Executive Director
Executive Ethics Commission
401 South Spring Street
513 Wm. Stratton Building
Springfield, Illinois 62706

Re: Request for Exemption of Section 50-13 Conflict of Interest for Edward and Tracie Majors and Deloitte Consulting LLP.

Dear Director Fornoff,

I am writing to request that the Executive Ethics Commission issue an exemption in accordance with Section 50-20 of the Illinois Procurement Code. After reviewing documentation provided by the vendor, Agency, and CMS, as well as additional information provided by several parties, and the publicly available information about the above-listed entity, I have determined, as explained below, that an actual conflict of interest under 30 ILCS 500/50-13(a) and 50-13(b) of the Procurement Code has been identified.

On October 7, 2015 the Chief Procurement Office received a conflict of interest for review from Central Management Services which concerned the firm Deloitte Consulting LLP ("Deloitte"). Deloitte has subsequently been awarded the IT Services Organization Design and Implementation project (Procurement Bulletin Reference No. 22036807). The value of the contract is \$2,000,000.00. The disclosures submitted by Deloitte to the Illinois Procurement Gateway claimed a number of potential conflicts of interest for several Deloitte partners. Among those, was disclosed that Deloitte partner, Edward Majors, is married to an assistant professor at the University of Illinois, Urbana-Champaign, Tracie Majors. The disclosures in the Illinois Procurement Gateway, submitted January 27, 2015, do not provide any detail regarding Mrs. Majors' salary at the University. According to the public salary database for the universities which is maintained by the Illinois Board of Higher Education, Mrs. Majors' salary is \$205,000. This amount exceeds 60% of the Governor's salary (\$106,447.20) and, as such, Mr. and Mrs. Majors are individuals prohibited from having or acquiring any State contract, or any direct interest therein, by 30 ILCS 500/50-13(a). This matter was discussed with personnel from Deloitte in an effort to verify the facts and obtain additional information about Mr. Majors' ownership and distributive income entitlement. In discussing this matter with Deloitte it was confirmed that while Mr. Majors' ownership is less than 5%, the value of his entitlement to distributive income as a partner at Deloitte exceeds the salary of the Governor (\$177,412.00). This results in the entire firm being prohibited from having or acquiring a State contract, or direct pecuniary interest therein, by 30 ILCS 500/50-13(b).



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Pursuant to Section 50-20, the Chief Procurement Officer may seek an exemption from a 50-13 prohibition if, in his “judgment, the public interest in having the individual in the service of the State outweighs the public policy evidenced” by Section 50-13. In this case, Mrs. Majors employment at the University of Illinois appears entirely unrelated to the Deloitte contract at issue. In addition, the contract awarded to Deloitte by CMS was competitively selected. Deloitte appears to have had a long history of working with the State. As such, in my judgment the public interest in having Mrs. Majors in State service, and maintaining the State’s ability to contract with Mr. Majors’ firm, Deloitte Consulting LLP, outweighs the public policy evidenced in Section 50-13 of the Procurement Code. As such, I request that the Executive Ethics Commission in accordance with Section 50-20 of the Procurement Code exempt Mrs. Majors from the prohibitions of Section 50-13 triggered by Mrs. Majors’ employment at the University of Illinois.

Sincerely,

Ellen H. Daley

Chief Procurement Officer, General Services

cc: Will Blount, Procurement Policy Board
Ron Wilson, Senior State Purchasing Officer
Matt VonBehren, State Purchasing Officer
Jeff Eason, Procurement Compliance Monitor
Amy Gerloff, Central Management Services
Dominic Saebeler, Central Management Services
James Ellenberg, Central Management Services
Edward Majors, Deloitte Consulting LLP
Tracie Majors, University of Illinois Urbana-Champaign